What ensued from the decision of the Cabinet to extend the principle of compulsion to industries during the War illustrates the insuperable difficulties encountered not only here, but in every belligerent country, in applying conscription to workers in factories and workshops.

*Labour vetoes ™Qmpubion*

The discussions of Mr. Henderson with his colleagues in the Labour Party had important consequences, for when we resumed discussion of the matter on igth December, he reported to us that the antagonism of organised labour to the proposal of industrial conscription was so strong that it would be very difficult to introduce, and might lead to widespread disturbance and disaffection. We had only with the utmost difficulty succeeded in coaxing the skilled workers of the country to accept measures of dilution of labour and relaxation of their Trade Union restrictions. These concessions had been enshrined in bargains ratified by such measures as the Munitions of War Acts, and the late Government had given pledges against industrial conscription as the price. If the organised skilled workers united to oppose compulsion in industry, it would be a mistaken policy to attempt to carry it out, even had it been feasible to do so. National unity alone could pull us through. By this step we should encounter the hostility of organised masses. Accordingly the Cabinet agreed that having regard to the *Initial* feeling of organised labour on the subject

*Voluntary* industrial compulsion, and the pledges given by the late Government, and to the volume of preliminary work necessary for the creation of an adequate and efficient machinery, local and central, it would be necessary to proceed, in the first